

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice DAP-128

For: State and County Offices

**Crop Disaster Program (CDP), Quality Loss Program (QLP), and
QLP for Apples and Potatoes (QLP-AP) Lockout**

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

**A
Background**

Notice DAP-119 advised State and County Offices that the deadline for submitting applications under 2000 QLP-AP was November 9, 2001.

Notice DAP-121 advised State and County Offices that the deadline for submitting applications under 2000 CDP and QLP was January 18, 2002.

Notice DAP-126 provided guidance to County Offices for determining the most beneficial program for apple and potato applicants under the 2000 crop year quality programs.

Program data uploaded indicates a large number of applications have been transferred from QLP-AP to QLP. However, it appears that QLP may still be the more beneficial program for some additional producers.

**B
Purpose**

This notice advises State and County Offices:

- that the application processes for CDP, QLP, and QLP-AP will be disabled during end-of-day processing on **March 1, 2002**
- that any remaining changes to the 2000 crop table shall be requested by COB **February 22, 2002**
- that **all** CDP, QLP, and QLP-AP application data shall be entered into the system by COB **March 1, 2002**
- to re-review QLP-AP applications using a 29 percent factor to determine if QLP is the more beneficial program for qualifying producers.

Disposal Date

May 1, 2002

Distribution

State Offices; State Offices relay to County Offices

2 CDP, QLP, and QLP-AP Application Lockout

A

Reason for Lockout

QLP-AP calculated payment amounts are affected by CDP calculated payment data. As a result, a national payment factor cannot be determined for QLP-AP as long as CDP and/or QLP-AP application data can be added or modified.

Further, since apple and potato applications can be loaded into the QLP software, the QLP application software must also be disabled before determining a national payment factor.

B

Action Required Before Lockout

The application processes for CDP, QLP, and QLP-AP will be disabled during end-of-day processing on March 1, 2002, so that a national payment factor for QLP-AP can be determined.

County Offices shall ensure that **all** application data for all 3 programs is loaded in the system by COB, **March 1, 2002**. This includes applications that:

- are in appeal status
- were filed on a manual application and have not been loaded in the system
- have not been loaded in the system pending download of a crop table record
- have been disapproved by COC.

Reminder: County Offices shall record the COC disapproval date in the system according to 3-DAP, paragraph 691 for disapproved CCC-557AP's. Applications disapproved by COC shall not be deleted from the system.

County Offices shall also ensure that the following applications are deleted from the system according to 3-DAP for the applicable program:

- applications loaded in error
 - producer withdrawn applications.
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2 CDP, QLP, and QLP-AP Application Lockout (Continued)

C

Action During Lockout

During the lockout, new applications cannot be added nor can changes to existing applications be made. However, applications can be approved and payments may be issued for correct applications in the system for CDP and QLP.

3 Determining the Most Beneficial Program

A

Introduction

Notice DAP-126 provided guidance on determining the most beneficial quality loss program assuming a 45 percent payment factor for QLP-AP. Based on current uploaded data, the national payment factor will be significantly lower than 45 percent.

As a result, additional producers may be eligible to receive a higher payment under QLP than QLP-AP.

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3 Determining the Most Beneficial Program (Continued)

B

Determining Most Beneficial Program

For purposes of this notice only, it is assumed that the national payment factor for QLP-AP would be 29 percent. This means that if the QLP-AP payment before the application of a national payment factor is \$275,862 or less per person, then it would be more beneficial for the producer to receive payments under QLP, but only if the producer meets all the eligibility requirements for QLP.

Following the criteria in Notice DAP-126, County Offices shall re-review remaining QLP-AP applications to determine if a payment under QLP is more beneficial than a payment under QLP-AP using a projected payment factor of 29 percent.

County Offices shall review the restrictions in Notice DAP-126, subparagraph 3 B to determine whether an application must remain in QLP-AP.

If none of the restrictions in Notice DAP-126, subparagraph 3 B apply to the producer, County Offices shall follow the provisions of subparagraph C to determine the most beneficial program for the producer. If it is determined that QLP is the more beneficial program, County Offices shall by March 1, 2002:

- delete the **applicable CCC-557AP's** from the QLP-AP application software, according to 3-DAP:
 - paragraphs 660 and 663 for noninsurable and uninsurable crops
 - paragraph 678 for insured crops
- enter the application data from the existing CCC-557AP into the regular QLP software according to 3-DAP, Part 17
- attach CCC-557Q to the original CCC-557AP.

Note: A signature is not required from the producer on CCC-557Q because the application data has not changed.

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3 Determining the Most Beneficial Program (Continued)

C **Calculating** **Payment** **Amounts**

Provided the restrictions in Notice DAP-126 do not apply, County Offices shall determine the most beneficial payment amount according to this table.

Step	Action
1	Determine the projected QLP-AP payment amount according to the following: <ul style="list-style-type: none">• “Gross QLP-AP Calculated Payment” in CCC-557AP-2, Part A, minus• “CDP Amount Attributable to Quality” in CCC-557AP-2, Part B, multiplied times• 29 percent (preliminary national payment factor).
2	Determine the amount that could be paid under QLP according to the following: <ul style="list-style-type: none">• “Gross QLP-AP Calculated Payment” in CCC-557AP-2, Part A, multiplied times• 65 percent, minus• “CDP Amount Attributable to Quality” in CCC-557AP-2, Part B.
3	Provided that all QLP eligibility criteria are met, County Offices shall load the application data in the QLP application software if the result of step 1 is less than the result of step 2.
